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ABSTRACT

This paper presents data from a 1989 survey of 48 state higher education executive officers regarding the use of fiscal enhancement programs as a strategy to influence higher education performance. The paper reports on the purposes and objectives most often funded through specific incentives, and on the key advantages and disadvantages of this budget tool. Guidelines for structuring or evaluating such programs are suggested. It was found that 32 states had established enhancement programs which could be classified as categorical programs, competitive programs, or incentive programs. While overall budget conditions have led to reduced dollars being channeled to campuses through enhancement programs, the number of programs and the degree of commitment on the part of states to use enhancement funding techniques is increasing. The purposes most often served by incentive programs were economic growth, technology transfer, and applied research. Advantages of the use of enhancement programs are that they make state policy concrete through the mechanism of the budget, are based on performance indicators, reward and encourage meaningful institutional differentiation, and work as change strategies. Among disadvantages are that these programs emphasize short-term goals over long-term planning and distract public attention away from the necessity to adequately fund the base budget. A postscript discusses the formative and summative uses of incentive program results. (16 references) (JDD)

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Green Carrots: A Survey of State Use of Fiscal Incentives for Academic Quality

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ASSOCIATION FOR THE STUDY OF HIGHER EDUCATION

This paper was presented at the annual meeting of the Association for the Study of Higher Education held at the Red Lion-Jantzen Beach in Portland, Oregon, November 1-4, 1990. This paper was reviewed by ASHE and was judged to be of high quality and of interest to others concerned with the research of higher education. It has therefore been selected to be included in the ERIC collection of ASHE conference papers.

ABSTRACT

Green Carrots: A Survey of State Use of Fiscal Incentives for Academic Quality

State fiscal policies for public higher education reflect shifts in public agendas for higher education. Most recent is the attachment of specific dollars to specific programs, particularly in relationship to objectives that support state concerns such as economic development, minority participation, and undergraduate education quality. This paper presents data from a 1989 survey of the 50 states regarding the use of fiscal enhancment programs as a strategy to influence higher education performance. It was found that while overall budget conditions have led to reduced dollars being channeled to campuses through such programs, the number of programs and the degree of commitment on the part of states to use enhancement funding techniques is increasing. The analysis reports on the purposes and objectives most often funded through specific incentives, and on the key advantages and disadvantages of this budget tool. Guidelines for structuring or evaluating such programs are also suggested by the data. A postscript discusses the formative and summative uses of incentive program results.

Green Carrots: A Survey of State Use of Fiscal Incentives

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Budgets have always been judged the most important levers for changing institutions; the budget is the state's most important policy document (Folger, 1984; Caruthers and Orwig, 1979). When states use budgets in deliberate ways to achieve specific ends in higher education, the study of budgeting techniques can be revealing of movements or patterns in state expectations for higher education (Ewell, 1985). For at least a decade, the expectation has focused on performance: its measurement and its improvement as it relates to a variety of state and regional objectives including such broad goals as higher education's role in economic revitalization, the participation and achievement of minority students and faculty. This expectation has been expressed by the states in many ways including special studies of institutional quality through blue ribbon commissions (Folger and Berdahl, 1987), or formal programs for assessment. Similar to other efforts to develop budget strategies that attached state-designed goals to appropriations, recent state actions regarding higher education quality and performance also has spawned new budgeting techniques. The most recent and least studied twist in higher education finance has been "green carrots" -- the fiscal incentive or enhancement programs that carry dollars and objectives related to the performance of higher education (Berdahl and Studds, 1989).

States are using incentives to push campuses to change, improve and pursue certain state objectives, but little evaluation has been done to assess the appropriateness of the tools to the purposes, or of the impacts on state-campus relationships.

Folger in Fiscal Incentives for Academic Quality (1984) discussed why incentive approaches were becoming more popular with state governments. He found states concerned about economic competitiveness and educational effectiveness. The articles in his volume reported the increasing connection of the budget to specific performance objectives.

In the National Governors' Association 1986 report Time for Results, one of six major recommendations was that states should adjust funding for public colleges and universities in order to provide incentives for improving learning. "Incentives will send a clear signal that policy makers expect and demand proven quality in higher education" (p. 11).

An earlier survey of states (1975) identified 55 incentive grant programs in use for resource allocation (Finkelstein). That report provides some background against which to assess changes in incentive programs over time and a baseline from which a modern taxonomy based on new data might be developed. Others have conducted selected case studies of some of the most visible examples or of specific types of incentive funding programs (Folger and McGuinness, 1984; Coffey, 1987; Marchese, 1985; Wallace, 1987; and others).

Incentive programs and their intended goals vary widely among the states, and while the notion of relating budget incentives to higher education performance has received attention at conferences and within states, a comprehensive and up-to-date catalog and analysis of the actual range and scope of incentive funding activity does not exist. There is no current source to which practitioners or scholars may go for data on what is being done by the states in the area of incentive programs, to learn from actual program experiences, to find models worthy of imitation, to learn how extensive is the impact of these programs in dollars and in intentions, and/or to understand fundamental issues that should be considered when establishing or evaluating programs. This study addresses these needs by reporting on a survey of the 50 states on the uses of fiscal incentive programs for improvement of higher education, and on the analyses drawn from a special project conference involving state, system, and campus leaders. The analysis presented in this study reveals the level of utilization of incentive strategies, the major types of programs, the purposes or objectives most often attached to these programs, and summary information on the dollars being directed through incentives. Guidelines to consider in structuring programs are presented along with concerns raised about the use of incentive approaches.

Data Sources and Methodology

Data for this paper were collected as part of the Governance Forum of the National Center for Postsecondary Governance and Finance which has as its focus the study of the critical components of institutional quality. During 1989-90, the project on incentive funding conducted a survey of the states on fiscal incentive practices, sponsored a conference to analyze and assess incentive funding policies and concerns, and worked with a demonstration state to apply proposed guidelines and "lessons learned" from the experiences of states with incentive programs to the creation of new programs.

Surveys were distributed to state contact persons designated by the state higher education executive officers (SHEEO) or equivalent in each state. Of the 50 states and Puerto Rico, 48 returned completed surveys. From these a catalog of programs was developed, and a taxonomy of program varieties and purposes generated. Quantitative data emphasizes the scope of participation in incentive programs and the amount of funds channeled through them.

In addition, the surveys asked several questions that generated qualitative data regarding disadvantages and advantages of fiscal incentive experiences, and information regarding past programs no longer in place or future programs proposed. This information provided a foundation of facts from which an invited conference of education and political leaders pursued analytical questions in an effort to understand issues and concerns that will shape future additional studies or applications of incentive funding as a higher education finance strategy.

The central questions addressed by this study include:

-What incentive programs are in place in each state?

-What are their key characteristics?

-What policy implications are posed by the use of these programs?

-What guidelines can be identified for the design and operation of new programs?

Survey Results

Extent of Use

States have used financial incentives as an alternative mechanism to regulation for translating policy

objectives into institutional practice. Now states are using these "green carrots" to support specific state priorities for the higher education sector. An understanding of the concept of incentive funding is founded in the concept of leverage. The 1989 draft report of the Virginia Commission on the University of the 21st Century articulated how budgetary leverage might be brought to bear on higher education.

> Virginia should focus on the incremental funding available to higher education in each budget and devise a way to use that money to leverage the greatest possible change in the directions suggested in this report...We realize that our proposal is a striking departure from the current system. But we think that the current system, for all its virtues, does not provide sufficient incentives to encourage substantive changes in curricula or management practices (p. 21).

Virginia is not alone. A survey of the states revealed that at least six states are considering the possibility that all future increments in higher education budgets (other than minor adjustments to the base) would be distributed through some type of incentive/enhancement program. States responding to the survey exhibited great diversity in the amount, type and purpose of incentives in place. But they all agreed on one point -- the use of state fiscal incentives is increasing.

Of the 48 states responding, 32 reported having established 122 enhancement/incentive programs. Program participation ranged from Florida with 17 to many states with only one. Six state without programs reported interest in adopting one or more in the future. Based on survey responses, a taxonomy of program types was developed, as is shown in Table 1. Incentive/enhancement programs fall into three categories:

1. Categorical programs are legislatively earmarked funds for specific purposes. All eligible institutions meeting application requirements receive funds.

2. Competitive programs operate as grant programs. Institutions submit proposals and compete for funds according to program criteria.

3. Incentive programs offer matching funds or special funds in return for demonstrating progress or achieving a specific goal.

(Since "incentive" funds has both a generic application as the traditional umbrella term for all these

programs, and a more recent usage as the term for matching fund programs, some confusion exists in the literature over the use of incentive funds. For the purposes of this study, the inclusive group of all programs reported will be called enhancement or fiscal incentive programs, and the incentive matching programs will be referred to as matching programs.)

Each of these categories of programs was found to represent a different philosophy of allocation. Funds are either distributed on the basis of parity (categorical), on the basis of selectivity (competitive), or in some combination (matching).

As shown in Table 1, the majority of programs, 49, are competitive and emphasize selectivity and diversity in the distribution of funds. These are understood to reward and encourage excellence and institutional differentiation.

Table 1

State Enhancement Programs

Major Purpose	Number of Programs				
	Categorical	Competitive	Incentive	Mixed	Total
Economic growth, Technology transfer; Applied research	5	10	5	3	23
Minority issues: students, faculty	11	6		3	20
Eminent scholars			15	2	17
Undergraduate education	3	8	2	2	15
Equipment, labs, computers	3	6	2	1	12
Basic research; High technology	2	5	1	3	11
Centers of excellence		5	2	2	9
General enhancement	2	4	1	1	8
Inter-institutional cooperation		4			4
Faculty and curriculum development		1	2		3
Other*				17	17

*The other programs relate to health, libraries, agriculture, school/college collaboration, aid to private institutions, handicapped services, extension services and administrative efficiency.
Note: Items are rank ordered by type and major purpose. (Some programs have multiple purposes.)

The survey revealed a great deal about the purposes connected to enhancement programs, and the features of program operations. They are constructed so as to make state policy goals concrete through the budget mechanism and are based primarily on the use of outcome indicators as measures of the extent to which institutions achieve objectives. Existing enhancement program purposes can be categorized as emphasizing:

-inputs, such as centers of excellence, eminent scholars, faculty pay, equipment funds;

-processes or activities, such as assessment programs, minority recruitment/support, economic partnerships;

-outputs, such as learning outcomes, improved graduation or retention rates.

The purposes most often served by incentive programs were issues of economic growth, technology transfer, and applied research as addressed by 23 programs. Twenty programs dealt with issues of minority students, faculty and staff. Eminent scholars is the most popular matching program with 17 examples, and improvement of undergraduate education was the focus of 15 programs. Support for equipment and basic research was next with 12 and 11 programs respectively. Interpretation of survey responses suggests that the underlying purpose of almost all programs reported was a general concern for the role of higher education in state and regional economic development.

Table 2 is a display of the funds distributed through fiscal enhancement programs since 1981. Although the majority of programs are competitive, the largest portion of funds ($477 million over 10 years) has been channeled through categorical programs for which all institutions in a state are eligible. More recently, an increasing proportion of funds are allocated through matching programs, a reflection of intensifying interest in obtaining private dollars for support of higher education.

Table 2

State Appropriations for Enhancement Programs

	Years					
Type	81-85	86-87	87-88	88-89	89-90	Total
Categorical	162.6	97.6	82.9	71.6	63.0	477.7
Competitive	71.8	67.2	92.7	69.1	71.7	372.5
Incentive	39.6	35.2	66.1	86.0	71.3	298.2
Mixed	19.6	8.5	16.6	24.3	29.1	98.1
Total	293.6	208.5	258.3	251.0	235.1	1246.5

Note: Figures are rounded to the nearest tenth of a million dollar.

However, total dollars for enhancement programs have declined slightly during the last two years, a reflection of overall budget conditions. In states where budget reductions occurred, institutions insisted on cutting enhancement programs as a first level reduction, suggesting that the level of commitment to enhancement strategies still remains highest at the state, as opposed to the campus, level. In 1989-90, approximately $235 million were directed to institutions through state enhancement programs. Consistently, over the period of time surveyed, enhancement programs have represented about 5% of the total funds available for higher education. As would be expected, survey respondents report that enhancement program funds are more appealing when they are additions to, rather than replacements of base funding.

Qualitative Findings

Respondents indicated concerns regarding the use of enhancement programs, and described advantages, disadvantages, and central questions regarding design, operation, and implications for state-campus relationships. While the survey revealed the features of the programs in practice, the discussions at the subsequent conference of SHEEOs, campus administrators, and legislators illuminated the policy tensions that surround the use of this funding mechanism. The qualitative findings reported herein are derived from an analysis of both the survey and the conference discussions.

Political and education leaders agree that, to an increasing degree, higher education is being analyzed and funded in ways similar to those traditionally applied to other state agencies. Expectations for a return on public investments has increased accordingly. Thus, the connecting of specific purposes to specific dollars is accepted as an established practice that is not likely to change. Predictably, however, different sectors view enhancement programs from different vantage points and with different concerns.

Institutional representatives from four-year campuses tend to favor parity offered through

categorical programs, while research campuses tend to favor competitive programs that reward excellence and for which their existing infrastructure equips them to compete successfully. Institutional reactions predictably indicated they would prefer marginal increases in the base budget with few or no strings attached. Many view enhancement programs as coercive attempts by legislators to get higher education to meet state-established demands, or as an attempt to artificially close perceived communication gaps between the state and campus by giving instructions along with dollars.

States, and SHEEOs, however, believe they are giving the academy the capacity and the motivation to develop new efforts with promising possibilities not feasible within the regular budget. They tend to see the programs as powerful financial tools that operate on the fiscal margin of institutional support and represent the extra dollars for excellence.

Legislators see enhancement programs as demands for accountability given in exchange for varying degrees of increased managerial flexibility.

There is general agreement that enhancement programs tend to represent attempts to mitigate the homogenizing effects of basic institutional budgets that often provide limited flexibility to address new initiatives or pursue new objectives. Most educators and state leaders believe traditional approaches to budgeting do not lend themselves to encouraging innovations, but judge enhancement funding to be successful in improving institutional performance in some cases and softening institutional resistance to increased accountability (Floyd, 1982). If regulation and the budget are two tools available to implement state policy, then the increased interest in fiscal incentive or enhancement programs is seen by all sectors as one method of combining elements of those tools.

Advantages given for the use of enhancement programs are summarized as follows:

1. They make state policy known and concrete through the mechanism of the budget.
2. They are based on performance indicators as measures of the extent to which institutions achieve state objectives.

3. They reward and encourage meaningful institutional differentiation.

4. They are change strategies that equip creative people within the academy to think and develop new ideas and activities.

Disadvantages centered on these concerns:

1. Fiscal incentives may work against institutional reallocation efforts by reducing the incentive to make tough internal decisions on priorities for funding.

2. They emphasize short-term goals over long-term planning.

3. They distract public attention away from the necessity to adequately fund the base budget.

4. State and education leaders do not have enough agreement on or confidence in outcomes measures to be satisfied with their linkage to specific funds.

Guidelines/Recommendations

These views of the advantages and disadvantages of fiscal enhancement programs, derived from the survey and conference, allow the identification of program features that are believed by state and campus leaders to be essential to program success. These can be interpreted to be guidelines or considerations for program design, evaluation and operation.

1. The goals must be narrow, specific and clear. The clearer the goals and the clearer the priorities among goals, the more effective an incentive program is likely to be. This requires negotiation of an agreement between the state and campuses that expresses not only shared or compatible objectives for an enhancement program, but one that is not so broad as to be unachievable.

2. There must be agreement on measures of institutional progress toward goals. In some cases, such as minority enrollment, measurement of progress is straightforward. Other goals, such as minority achievement, are difficult to measure. In some cases, the measurement of outcomes is not feasible, or may not be known for many years in the future. In these cases, evaluation often depends on expert judgment. Peer review is the most common and widely used evaluation technique among the incentive programs reported in the survey. Some more advanced and experienced programs have developed multiple measures that balance the limitations of individual

evaluation techniques by combining several different approaches.

3. Incentives should be aimed at the organizational level of the persons responsible for achieving change. If the intent is to improve undergraduate education, the incentive must be directed at the departments and faculty who must carry the change into the classroom experience. Faculty cooperation is often crucial to the success of enhancement programs, but most states report regret that faculty cooperation was most often sought after programs were developed. Involvement of campus administrators and faculty who have a stake in choosing program ends and means seems central to acceptance and success.

4. The funds must be of sufficient size and given over sufficient time to produce the desired changes. Inadequate funds will not entice institutional participation. Remembering that fiscal agreements hold in tension the balance between state needs and institutional missions or aspirations, incentives must not draw funds or attention away from the state's need to provide fundamental budgetary resources to campuses. But if incentives are to be the margin for excellence, it is clear that if the award is too small, nothing happens.

5. Any incentive program should be part of a complete plan, strategy, or blueprint for developing a state's higher education system. This includes consideration of both budgetary and operational objectives. Fiscal enhancement programs are likely to be effective only in an environment where fundamental budget requirements have been reasonably met.

Conclusions

Since early in the 1980s, policy makers and higher education agencies in many states intensified efforts to make quality improvement of higher education a key public policy agenda item by employing assorted techniques to associate financing with performance objectives or quality measures. In the popular press, much has been written on assessment and testing of students as an attempt by the states to measure quality. Less understood and studied is the increasing use of competitive, categorical, and incentive financial strategies as tools for influencing or inspiring quality improvements in institutions.

State fiscal enhancement programs are being used increasingly as a way of attaching purposes to the state dollars seen as the margin for change, or the margin for excellence. They are only one of several ingredients in a state strategy for improvement of higher education, and many respondents and discussants cautioned that incentives are not to be taken as a budget panacea. While the actual amount of dollars distributed through incentives continues to represent a fraction of the total budget for support of higher education and is decreasing as budgets tighten in most states, this study found that the number of programs in place and the level of state interest in exploring possible applications of this budget technique are clearly on the increase. Survey respondents and conference discussants eagerly seek to share experiences, to identify and emulate effective program models (indicating an acceptance of at least the general idea of incentives), and to understand the impacts enhancement funds have on overall budget processes and on the state policy process. A high level of agreement was found among state and campus leaders regarding the inability of traditional budgeting approaches to address quality improvement. Analysis of the expectations for and criticisms of incentive programs in place permitted this study to develop a set of guidelines that might shape the design and operation of programs likely to be seen by both state and campus as constructive.

The key role of incentive funding is to empower local leadership through goals, funds, and flexibility to attain goals consistent with established missions. The application of such financial strategies involves an understanding of the complex relationship between assessment, accountability, and autonomy. As has often been the case in higher education history, a new budgeting strategy is changing the relationships between states and institutions, and the balance of autonomy and accountability is shifting yet again.

This study analyzed policy discussions regarding the potential applications of fiscal incentives and the experiences of states using enhancement programs in an effort to propose themes that should command the attention of policy makers or scholars who are evaluating funding mechanisms, and impacts on the balance of autonomy and accountability.

Post Script from ROB:

Accountability and Improvement: Formative and Summative Uses of the Information Generated by Incentive Grant Programs

Not always noticed when incentive programs are being established in a state are the probable tensions between the two goals most often associated with such programs: 1) "to improve the quality of higher education"; and 2) "to provide more credible evidence to the outside world that higher education really is improving."

For the first goal of improving quality, it is important that the participating institutions feel sufficient ownership of, or commitment to, the projects in question so that information produced by the projects is generated honestly and accurately, and then used formatively by the institution to improve the processes and make it more likely that the project-induced changes will be internalized.

For the second purpose, accountability, however, there is a need for the information about project results to be made available to external parties (e.g. a statewide board of higher education; legislators or their staff, governor's office) where it is possible that summative judgments about relative success or failure will be made, ultimately having fiscal consequences.

While this second process could have beneficial impacts in convincing some external parties that the incentive grant projects are having positive outcomes, this could come at too high a price if the institutions involved come to believe that

mixed or negative results honestly reported will come back summatively to haunt them. The temptation under those conditions will be for the less self-confident institutions (the very ones which need improvement the most) to go into a minimum compliance mode, undertaking only such activities and information-gathering as are necessary to qualify for the incentive funds, but not going to the greater efforts needed to generate and use honest information for self-improvement.

An article currently in press with Higher Education contrasts well the different ways that institutions handle the accountability and improvement modes of information gathering and use.

Typically under an accountability-driven, minimum-compliance approach an "assessment office" is established and given responsibility to coordinate data collection at the department and university levels. Often, much of the assessment data are collected and analyzed, and reports prepared by staff in this office. A similar approach has been to give additional resources to the office of institutional research. Such offices have extensive experience with top-down mandates and with generating accountability-driven reports. They are very familiar with how external agencies use data to compare institutions and programs and know what will satisfy them.

The timetable for the accountability-driven approach is clearly established by the external agency and the culminating activity is the preparation of a final report. Such an approach tends to view assessment as an activity that is "tacked on" to existing activities of the institutions, similar to the traditional process used in preparing an institutional self study for a regional or professional accrediting agency. The report generated in this approach is oriented toward documenting the strengths of the institution and its programs using aggregated summaries of easily obtainable, quantitative data. Great attention is often given to the details of the psychometric properties of the data collection instruments and to the intricacies of the sophisticated analytic procedures. As Chickering (1988) pointed out, the data generated for these accountability-driven reports are aggregated with "heavy use of cosmetics" in an attempt at "strategic obfuscation."

In contrast, the emphasis of an improvement-driven approach is on institutional self-evaluation. Ideally, the administration of this improvement-driven approach is integrated into the office of the chief academic officer and assigned to an assistant vice president or provost. While this person is clearly identified as the "coordinator" of the assessment program, the responsibilities are integrated with other administrative responsibilities. Depending upon the size of the institution, there may be additional full-time or part-time faculty/staff to assist in both the administration of the university level activities and the coordination of the department level activities. University level activities would include assessing general education, surveying current students and alumni, and developing and managing university level data bases. Since department level activities tend to be situationally specific, the coordinator as well as these other faculty/staff serve as resources to the departmental assessment committees in developing departmental assessment plans and provide relevant aggregated and disaggregated data to the departments from the university level data bases.

The improvement-driven approach is more formative than summative, with quantitative data supplemented with appropriate qualitative data. The focus is not entirely on student outcomes but rather on the interaction of instructional processes and student experiences with student outcomes. Assuming the broad based ownership of the assessment process by the faculty and administration and the focus on critical self-evaluation, reports generated in the improvement-driven approach will contain clear statements of both strengths and weaknesses along with clear statements of recommendations for future activities. They will contain discussion of new activities already undertaken to further enhance strong program components and to rectify weak ones. The concern is not how the external agency will use the data, but identification of the key issues that need to be addressed by the institution and departments. In other words, the emphasis is on how the data will be useful to the institution rather than what specifically will satisfy the external agency.

In the improvement-driven approach, the most pressing need is to secure and develop broad-based faculty and administrative support for the assessment at the department level. This is accomplished only by emphasizing the focus on improvement through self-evaluation. It must be made apparent that the specifics of the various departmental plans as well as the time table for the assessment report are determined by the departments while recognizing the need to meet certain reporting deadlines of the external agency (symbolic accountability). The departments must be convinced that the assessment program is not an "add-on" activity or a threat to the integrity of the academic enterprise, but rather a formalization of ongoing evaluation activities that currently exist to varying degrees in the departments. The culminating activity is a process rather than a product: the process is a systematic and cyclic evaluation and reevaluation of the departmental programs. Implicit in this approach is a sense of good faith on the part of the external agency, rather than skepticism, with the understanding that there can always be improvements in the institution and its programs.

Table 1 from the Aper article further contrasts the two styles of using information for assessment (see below).

In the face of this dilemma (oversimplified here for the sake of brevity), statewide boards of higher education will have an important potential role to play. If it is their judgment that the biggest need is to increase accountability, as many state legislators or executive branch personnel seem to want, with a fairly short political time frames, then they will have to press for summative uses of the incentive funding results information with whatever costs to long run internalizing of the projects in question.

But if the statewide boards see a greater need for institutional improvement through better internal use of more accurate and honest information, then they will want to try to "spend" some of their credibility to convince the key political actors that the state gains more in the long term by foregoing short term summative uses of incentive funding project results--and encouraging the institutions to undertake serious self improvement by using honest information formatively.

Aper, J.P. "Coming to Terms with the Accountability Versus Improvement Debate in Assessment" Higher Education (in press)

Table 1

Approaches to Assessment

Accountability - Driven	Improvement - Driven
- Agenda is primarily externally driven	- Agenda is externally driven with internal acceptance
- Time table is clearly established by external agency	- Time table is developed by the university in conjunction with external agency
- Summative - focus clearly on the final report	-Formative - focus on the feedback loop
- Concern focused on meeting minimal standards	- Emphasis given to a thorough self-evaluation
- Great detail given to documenting institutional strengths	- Great detail given to documenting both strengths and weaknesses along with clear statements of recommendations for improvements
- Great detail given to documenting paphometric properties and intracacies of sophisticated analytic procedures	- Great detail given to understanding the data -- both quantitative and qualitative
- Process viewed as an add-on to external evaluation activities	- Emphasis on what data will be useful to the institution
- Emphasis on what will satisfy the external agency	- Process viewed as an integral part of existing evaluation activities
- Concern with how the external agency will compare institutions	- Concern only with effectivenss within the mission of the institutions

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